

REMARKS

In light of the above amendments and remarks to follow, reconsideration and allowance of this application are respectfully requested.

Claims 1-5 and 41-52 remain in this application.
Claims 6-40 and 53-64 were previously canceled.

Claims 1, 4, 41, and 45 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Stefik et al. (U.S. Patent 6,233,684; "Stefik I"). Claims 2-3, 5, 42-44, 46-52 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Stefik I in view of Stefik et al. (U.S. Patent 5,629,980; "Stefik II").

However, the present claims recite "a transfer of the use history information is induced when the accumulation of uses reaches a preset value." (Claim 1; Claims 4, 41, and 45 contain similar limitations) In this manner, the present invention sets a requirement for when the accumulated history information is transferred. Although Stefik I and Stefik II do disclose the use of a "watermark" and a "copy count," they do not disclose or suggest when and how the watermark and/or copy count are used (or transferred). Accordingly, Stefik I and Stefik II fail to meet the present invention's preset value transfer requirement limitation and the present claims should now be allowed.

As it is believed that all of the rejections set forth in the Official Action have been fully met, favorable reconsideration and allowance are earnestly solicited.

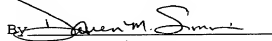
If, however, for any reason the Examiner does not believe that such action can be taken at this time, it is respectfully requested that he/she telephone applicant's

attorney at (908) 654-5000 in order to overcome any additional objections which he might have.

If there are any additional charges in connection with this requested amendment, the Examiner is authorized to charge Deposit Account No. 12-1095.

Dated: April 27, 2007

Respectfully submitted,

By 
Darren M. Simon
Registration No.: 47,946
LERNER, DAVID, LITTENBERG,
KRUMHOLZ & MENTLIK, LLP
600 South Avenue West
Westfield, New Jersey 07090
(908) 654-5000
Attorney for Applicant